

U.S. SMALL BUSINESS ADMINISTRATION WASHINGTON, D.C. 20416

Subject: Notice to ALL HUBZone small businesses that may be affected by the December 8, 2004 base closure area legislation

Dear HUBZone Small Business Concern:

On December 8, 2004, the President signed into law the "Consolidated Appropriations Act, 2005," Public Law 108-447, which amended the HUBZone Program's eligibility requirements and expanded qualified HUBZone areas to include base closure areas (e.g., military bases that were closed as a result of the Defense Base Closure and Realignment Act of 1990). The public law set forth a HUBZone status timeline for these base closure areas to remain designated HUBZones. Specifically, the public law explains that such base closure areas shall remain qualified HUBZone areas for a period of 5 years. Consequently, the U.S. Small Business Administration's (SBA's) regulations, 13 C.F.R. § 121.103, state that: "Qualified base closure area means a base closure area for a period of 5 years either from December 8, 2004, or from the date of final base closure, whichever is later". SBA relies on the U.S. Department of Defense, Office of Economic Adjustment (OEA), as the authority to determine whether a base is closed and when the final base closure occurred. If you have any questions concerning the date of closure for a particular installation, please contact OEA at http://www.oea.gov/oeaweb.nsf/Home?OpenForm. Go to "About OEA" and click on "Contact."

As a result of the public law, on December 8, 2009, certain military installations will lose their HUBZone status. According to our records, the SBA certified your small business concern as a HUBZone small business because its principal office was located in a qualified base closure area that will no longer be a qualified HUBZone area as of December 9, 2009. As a result, on or about December 9, 2009, the SBA will send you a notice of proposed decertification and you will be given 30 calendar days to respond to the notice to explain and provide evidence that your small business concern is still eligible for the program (e.g., it has relocated its principal office to a qualified HUBZone area). During those 30 calendar days, I note that if you are considering whether to submit an offer for a HUBZone contract, you must self-certify on a HUBZone solicitation/contact to the following:

(i) It * is, * is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal office, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR part 126; and

FAR 52.219-1(b)(6), "Small Business Program Representations" (emphasis added). This certification ensures small businesses and procuring agencies are adhering to the Small Business Act and SBA's regulations. It is the SBA's position that to receive federal contract benefits pursuant to the HUBZone Program, a small business must be a qualified HUBZone small business at the time of initial offer <u>and</u> at the time the contract is awarded.

You may voluntarily decertify from the HUBZone Program at any time.

Please note that if decertified from the HUBZone Program, there are alternative certifications such as small business, 8(a) or service disabled veteran-owned, that your business may be able to pursue to seek opportunities in the Federal contract arena. Please visit our website, www.sba.gov, to get more information on these programs.

Thank you for your immediate attention to this very important notice. If you have questions or concern, please contact brenda.washington@sba.gov.